

May - June 2001

# *Insight*

For  
benefits  
administrators

## Embassy Suites Hotel to host "Benefits at Work" conference

The Office of Insurance Services (OIS) is pleased to announce the Embassy Suites Hotel will host the annual "Benefits at Work" (BAW) 2001 conference. The conference is slated for August 27-30, 2001.

The results from last year's evaluation indicated that the majority of benefits administrators were interested in having the conference one full day rather than two, one-half day sessions. We listened.

With the conference operating one full day, you can still expect to hear informative presentations, learn about changes for the 2002 plan year, and much more! The only noticeable difference is that there will be an awards luncheon in lieu of the traditional evening banquet. Here's an outline of the conference's sessions by entities and dates:

State Agencies	Monday, August 27
Local Subdivisions	Tuesday, August 28
Higher Education	Wednesday, August 29
Public Schools	Thursday, August 30

You should soon receive a registration package from OIS. The conference registration fee is \$90/person. The hotel room rate is \$92. When you receive your registration packet, we encourage you to register for the hotel early so that you may secure a room at the Embassy Suites. *However, please do not make your room reservation until you have received a registration package from OIS.*

Should you have any questions, please call Pamala Jackson at OIS Communications in Columbia, 803-734-0706, toll-free at 1-888-260-9430, or send her an e-mail: [pjackson@ois.state.sc.us](mailto:pjackson@ois.state.sc.us).

The information contained in *Insight* that affects your employees should be communicated to them in a timely manner.

## OIS News

### Insight

OIS has received many e-mails from benefits administrators about how much you enjoy receiving *Insight* via e-mail and wonder why you still receive a copy in the mail. Thanks to your suggestions, this will be the last edition mailed to those who receive *Insight* by e-mail.

When we first started e-mailing *Insight* about a year ago, it was our intention to discontinue mailing the publication. There were more problems with e-mailing than anticipated, so we continued mailing copies. Now it seems that most of the bugs have been worked out and most of you are on-line.

If you do not receive your next *Insight* by the first week in July, please let Susie Chappell ([schappell@ois.state.sc.us](mailto:schappell@ois.state.sc.us), 803-734-0576 or toll-free at 1-888-260-9430) know. That way we can track the problem and ensure that you continue receiving *Insight* promptly.

We hope the other e-mail notices you've been receiving from OIS have been helpful. This is a great way for us to communicate with you quickly and economically.

### BA Manual

Your 2001 "Benefits Administrators Manual" is now posted on the OIS Web site. The copy available now is only for viewing and printing (see related story on Page 2). A copy that will allow you to search for and link to topics and page references will be available soon. A BA e-mail will be sent when this version is on the Web site.

If you have not been receiving BA e-mails, please contact Susie Chappell at [schappell@ois.state.sc.us](mailto:schappell@ois.state.sc.us).

### Surveys

Be on the lookout for the 2001 BA Satisfaction Survey and Database Update.

The BA Survey gives you an opportunity to evaluate OIS services and offer suggestions and comments. This can be done anonymously. The Database Update is important because OIS must have up-to-date information, on how to reach you so communications can be sent timely and efficiently.

Please help us help you by completing these surveys.

South Carolina  
Budget and Control Board  
Office of Insurance Services



P.O. Box 11661  
Columbia, South Carolina 29211  
803-734-0678 • 1-888-260-9430  
[www.ois.state.sc.us](http://www.ois.state.sc.us)

## New BA Recognition

New to the BAW Conference this year will be the BA Achievement Awards. Recognition will be given for 5, 10, 20 and 30 years of service.

Also special recognition will be given to benefits administrators who have completed the core OIS training classes and shown exemplary service by offering new and creative ways for subscribers to learn about benefits. A questionnaire will be sent to you soon asking for your input.

As always, awards will be given at the conference recognizing groups who have exhibited excellence in benefits administration during the last year.

### Provider termination

**The following provider has terminated from the State Health Plan Physician Network effective June 7, 2001:**

Donald S. Kilpatrick, M.D.  
P. O. Box 13509  
Charleston, SC 29442

*Insight*  
is produced periodically by  
the South Carolina  
Budget and Control Board  
Office of Insurance Services

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## BA Manual

In an effort to keep the BA Manual up-to-date, you will receive e-mails and notifications in the *Insight* about changes or corrections to the manual. These changes will be made instantly to the BA Manual on the OIS Web site where you can print the corrected page(s).

Page 62 of the manual has been

corrected as follows: Under "What to Do," the first bullet, the first sentence remains. The other three sentences under that bullet have been deleted. The second bullet under "What to Do" remains the same.

You can make the deletion in your 2001 BA Manual or print the correct Page 62 from the OIS Web site.

## Auditor's Corner

### *Student certification reminder to employees*

If your dependent student no longer meets the requirements of a full-time student because of graduation, marriage, employment with benefits or loss of full-time student status, he needs to be terminated from your coverage. The rules concerning full-time students are listed below:

#### **What constitutes full-time student status?**

A full-time student is a dependent, age 19 through 24, who is *enrolled in and attending on a full-time basis (as defined by the institution) a trade, vocational or technical school, college or university (not correspondence courses).*

#### **How can a dependent student lose his full-time student status?**

A dependent may lose his full-time student status by:

- not enrolling in enough credit hours to attain the status of full-time as defined by the institution\*;
- allowing his student status to change from full-time to part-time by withdrawing from one or more courses\*;
- dropping out of school\*; or
- graduating.

#### **What happens when a dependent is determined to be ineligible by OIS?**

Dependent ineligibility may

result in the following:

- retroactive cancellation of dependent's coverage to last date of eligibility;
- recoupment of claims payments paid on behalf of the ineligible dependent during the period of ineligibility; and
- loss of continuous coverage.

NOTE: As a result of audits conducted this year, several subscribers have in fact been required to reimburse the state for claims paid on behalf of ineligible dependents.

The OIS audit staff will be continuously performing audits verifying dependent eligibility as full-time students. The benefits administrator should inform all new hires as well as existing employees of the consequences of covering an ineligible dependent.

If you have any questions regarding these procedures, please contact the OIS Audit Department at 803-734-1696.

*\* These situations can be considered "sit-out" periods if the dependent was a full-time student during the previous grading period (excluding summer sessions), and the dependant enrolls full-time in the subsequent grading period (excluding summer sessions).*

# Ask the Counselor



The Customer Services and Operations departments at OIS are staffed with trained counselors who answer questions daily from benefits administrators, active subscribers and retirees.

As part of a regular *Insight* column, *Ask the Counselor* will address the most recent questions and concerns of the Customer Services Department callers.

If you have a specific concern that you would like answered in this column and shared with your peers, please contact Susie Chappell at [schappell@ois.state.sc.us](mailto:schappell@ois.state.sc.us) or 803-734-0576.

**Q:** *An employee who is covered under her spouse's dental plan recently went to the dentist and was told she must file with the State Dental Plan because it is primary. Is this true?*

**A:** Yes. Coordination of Benefits under the Employee Retirement Income Security Act (ERISA) states that an employee must first file with her primary insurance carrier (which is the insurance coverage where they are actively employed). After that plan has paid or denied payment, then the employee may file with the secondary insurance carrier.

Employees who do not wish to be covered under the State's Dental Plan may refuse coverage as a new hire or during this October's open enrollment.

**Q:** *Are there any time limits on when a subscriber has to call Medi-Call?*

**A:** Yes. For **non-emergency** hospital admissions (or extensions) surgical procedures; extended benefits or

benefit programs; inpatient physical therapy; second surgical opinions; purchase of prosthetic appliances, braces, crutches, or purchase or rental of durable medical equipment, a subscriber must call Medi-Call as soon as possible, but at least 48 hours or two working days before receiving services. Subscribers receiving organ, bone or other stem cell rescue or tissue transplants need to contact Medi-Call immediately to ensure that they are using a participating facility and to take care of the necessary pre-admission procedures.

In an **emergency** situation, the subscriber must contact Medi-Call within 48 hours or on the next working day, whichever is later.

A call must be made to Medi-Call within the first three months of pregnancy.

Failure to comply with the time limitations of obtaining pre-admission review and certification will result in the patient being subject to monetary penalties.

## Termination of academic employees

Subscribers employed by public school districts, universities, colleges and technical colleges (academic entities under the state coverage) are considered academic employees and are subject to the following termination and transfer regulations:

- Academic employees who complete a school term and move to another academic setting (academic entities under the state coverage) are considered transfers. Your entity should carry academic transfer employees during the summer months and terminate them at the beginning of the fall term (usually effective September 1). Exceptions may be made for those academic positions beginning employment during the summer (such as coaches, principals and superintendents). Regardless, the termination effective date from the losing academic entity should coincide with the effective date of the gaining academic entity

reflecting no break in coverage.

- Academic employees who are not transferring to another academic setting should be terminated the first of the month following the last day worked.

- Academic employees who work during the summer session and are not transferring to another academic setting in the fall should be terminated the first of the month following loss of eligibility. The academic entity determines the eligibility status by contract with each employee and position (the summer session may or may not be considered permanent, full-time employment).

- Academic employees who are retiring effective July 1 should be terminated July 1.

*Note: These rules should apply regardless of when you are advised of an employee's resignation. Upon termination of coverage due to leaving employment or reduction in hours, you should notify the*

*employee and spouse, if applicable, of continuation of coverage as a COBRA participant. Each qualified beneficiary will have 60 days from the date of loss of coverage or notification of COBRA rights, whichever is later, to file a COBRA Notice of Election (NOE). The effective date of COBRA coverage will coincide with the date of loss of coverage due to the qualifying event. COBRA notifications must also be provided to transferring and retiring employees.*

### Transplant news

The Medical University of South Carolina's (MUSC) has notified OIS that its transplant program is re-entering the State Health Plan's (SHP) Transplant Network.



The Medical College of Georgia in Augusta is now participating in the SHP's Transplant Program for bone marrow transplants as well as kidney transplants.

# State Budget and Control Board

Office of Insurance Services  
Insurance Benefits Management  
1201 Main Street, Suite 300  
PO Box 11661  
Columbia, SC 29211

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## Return Service Requested

### June 2001 Training Schedule

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
					1	2
3	4	5	6	Prevention Partners Worksite Coord. Training 10:00-1:00	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						